

ARTICLE ANTISEPEN  
ON PAGE 1-AWASHINGTON TIMES  
26 November 1986

# Congress asks: How did profits go to Contras?

By Damon Thompson and Jennifer Spevacek  
THE WASHINGTON TIMES

Bipartisanship thrived on Capitol Hill yesterday as lawmakers from both sides of the aisle demanded a thorough review of the White House operation that diverted profits from Iranian arms deals to the Nicaraguan resistance.

Members of both parties welcomed the ouster of President Reagan's two top national security aides and his appointment of a special review board to investigate the transaction.

But several top Democrats said the president's broom hadn't swept the administration clean enough and called for the replacement of White House Chief of Staff Donald Regan and Secretary of State George Shultz.

Democrats and Republicans alike promised lengthy investigations. Some argued that the clandestine transaction violated the Boland amendment, a past congressional ban on aid to the anti-Marxist rebels.

Rep. Les Aspin, chairman of the House Armed Services Committee, said that if the president wanted to "clear the decks," he should remove all major decision-makers involved in the Iranian arms deal in which an estimated \$10 million to \$30 million was funneled to the resistance forces.

"Clearly [National Security Adviser John] Poindexter and [NSC Deputy Director Oliver] North were two of them," the Wisconsin Democrat said. "The other two were Regan and Shultz."

Rep. Dave McCurdy, Oklahoma Democrat and a member of the House Intelligence Committee, said Mr. Regan's removal would "send a stronger signal that the president has cleared the air."

"By allowing this basement operation to run amok, the

president's chief of staff must bear the ultimate responsibility," Mr. McCurdy said.

Senate Democratic leader Robert Byrd said he did not think "one or two scapegoats is necessarily the answer to this whole matter."

"The best thing to do would be for the president to lay it all out," Mr. Byrd said. "It was a shocking revelation and it shows up the chaotic state of our foreign policy."

House Democratic leader Jim Wright said Congress will insist on investigating the matter and "bring it all out into the open."

A two-year congressional ban on providing U.S. military aid to the Nicaraguan rebels was lifted last month. Mr. Wright said the diversion of funds from the Iran arms sale to the rebels appeared to violate that prohibition, "certainly in spirit, probably in letter."

Sen. Dave Durenberger, chairman of the Senate Intelligence Committee, agreed that the transaction might have violated the law that expired in October.

"That's a possibility," the Minnesota Republican said. "I think it comes as a shock to those on the intelligence side who believed nobody in the government was using the taxpayer's money to help the Contras."

"Some sharp lawyer is gonna say, 'We didn't use U.S. money, we used Iranian money,'" Mr. Durenberger said. "Ha, ha, ha!"

Mr. Wright said \$3 million to \$4 million from the arms sale still was not accounted for. The Iranians paid \$19 million for weapons shipments, but the Pentagon had been reimbursed only \$3 million, he said. Of the remainder, he said, \$12 million had gone to bank accounts in Switzerland for the Nicaraguan resistance.

Throughout Capitol Hill, members of both parties were questioning the administration's assertion that Col. North had acted alone in engineering the transfer of funds from the arms sale.

"It defies credulity," said Mr.

Wright, who disputed the president's assertion that he was unaware of the fund transfers coordinated by Col. North.

"I think the president is able in his own mind to reject information that he doesn't want."

Shortly before the president announced yesterday that his two top NSC officials were leaving, Mr. Reagan summoned leaders of the House and Senate for a White House briefing.

"It was obvious he was deeply disturbed at the information he had just received and it was equally obvious he was determined to do what needs to be done," Senate Republican leader Robert Dole said in a statement.

Mr. Dole said the review board "must now act with equal vigor and determination, and in a totally non-partisan way . . . to get to the bottom of this, so that the American people know they have a full accounting."

Some Republicans praised Mr. Reagan's actions. Sen. Strom Thurmond, South Carolina Republican, said that the president "has acted properly and candidly."

New York Republican Rep. Jack Kemp, however, said that "appropriate action should be taken by the Justice Department" if any laws were violated.

Sen. Sam Nunn, the Georgia Democrat expected to become chairman of the Senate Armed Services Committee, said the president "has left himself and American foreign policy very exposed and it is, of course, very damaging."

"The Reagan administration has to understand that they cannot abuse democracy here at home or abuse laws here at home to promote democracy abroad," Mr. Nunn said.

Sen. John Glenn, Ohio Democrat, said the National Security Council "has become nothing less than a rogue elephant trampling over the laws of this nation on its rampage through the jungles of Nicaragua."

Mr. Glenn said he found it "difficult to believe" Col. North was able to carry out policy without the president's knowledge. "If he knew about it, then he has willfully broken the law. If he didn't know about it, then he was failing to do his job."